

COLORADO REVISED STATUTES

TITLE 12. PROFESSIONS AND OCCUPATIONS GENERAL

ARTICLE 52. MONEY TRANSMITTERS

Part 1 – General Provisions

Part 2 – Money Transmitter Agents

PART 1. GENERAL PROVISIONS

12-52-101. Short title

This article shall be known and may be cited as the "Money Transmitters Act".

12-52-102. Legislative declaration

It is declared to be the policy of this state that checks, drafts, money orders, or other instruments for the transmission or payment of credit or money are widely used by the people of this state as a process of settling accounts or debts and that sellers and issuers of such instruments receive, in the aggregate, large sums of money from the people of this state and it is therefore imperative that the integrity, experience, and financial responsibility and reliability of those engaged in the various types of businesses dealing in such instruments be above reproach. In order that the people of this state may be safeguarded from default in the payment of these instruments, it is necessary that proper regulatory authority be established through the banking board. Any person who sells or issues such instruments without complying with the provisions of this article endangers the public interest.

12-52-103. Definitions

As used in this article, unless the context otherwise requires:

(1) "Banking board" or "board" means the banking board created in section 11-102-103, C.R.S.

(1.5) "Commissioner" means the state bank commissioner appointed and serving pursuant to section 11-102-101 (2), C.R.S.

(1.6) "Control" means:

(a) Ownership of, or the power to vote, directly or indirectly, twenty-five percent or more of a class of voting securities or voting interests of a licensee, applicant, or person in control of a licensee or applicant;

(b) The power to elect a majority of executive officers, managers, directors, trustees, or other persons exercising managerial authority of a licensee, applicant, or person in control of a licensee or applicant; or

(c) The power to exercise, directly or indirectly, a controlling influence over the management or policies of a licensee, applicant, or person in control of a licensee or applicant.

- (1.7) "Engagement letter" means a letter that sets the scope and terms of an independent audit.
- (2) "Exchange" means any check, draft, money order, or other instrument for the transmission or payment of money or credit. It does not mean money or currency of any nation.
- (2.5) "Executive officer" means a president, chief executive officer, chairperson of an executive committee, responsible individual, or chief financial officer of a licensee, and any other person who performs similar functions.
- (3) "Issuing" means the act of drawing any instrument of exchange by a person who engages in the business of drawing such instruments as a service or for a fee or other consideration.
- (4) "Licensee" means any person duly licensed by the banking board pursuant to the provisions of this article.
- (4.1) "Management letter" means a letter, written by the auditor to the management of a licensee, reporting the auditor's findings and suggestions resulting from an independent audit.
- (4.2) "Managing official" means a person who has significant oversight duties over a licensee or applicant as determined by the board.
- (4.3) "Money transmission" means the sale or issuance of exchange or engaging in the business of receiving money for transmission or transmitting money within the United States or to locations abroad by any and all means including but not limited to payment instrument, wire, facsimile, or electronic transfer.
- (4.5) "Outstanding payment instrument" means any exchange sold or issued by a licensee or any exchange issued by the licensee which has been sold by an agent of the licensee in the United States, which has been reported to the licensee as having been sold and which has not yet been paid by or for the licensee.
- (4.7) "Owner" means a person with an ownership interest in a licensee or applicant that is a sole proprietorship or partnership.
- (5) "Person" means any natural person, firm, association, partnership, registered limited liability partnership, syndicate, joint stock company, unincorporated company or association, limited liability company, common law trust, or any corporation organized under the laws of the United States or of any state or territory of the United States or of any foreign country.
- (6) "Principal member" means a person who has a significant ownership interest in a licensee or applicant that is an association, trust, or limited liability company or similar entity, as determined by the board.
- (7) "Principal shareholder" means a person who has a significant ownership interest in a corporate licensee or applicant.
- (8) "Significant ownership interest" means an ownership interest that causes the owner to have significant control of a licensee or applicant as determined by the board.

12-52-103.5. Applicability of powers of banking board and bank commissioner to money orders

The powers, duties, and functions of the banking board and the commissioner contained in article 102 of title 11, C.R.S., and the declaration of policy contained in section 11-101-102, C.R.S., shall apply to the provisions of this article. For the purposes of this section and section 11-102-104, C.R.S., the banking board

shall have the same powers, duties, and functions concerning a violation of this article or a rule issued pursuant to this article as the board has concerning a violation of the "Colorado Banking Code", a statute, or a rule issued pursuant to that code.

12-52-104. License required - investigations

(1) A person shall not engage in the business of money transmission without first procuring a license from the board; except that an agent, subagent, or representative of a licensee or an employee of an agent, subagent, or representative who acts on behalf of a licensee in the transmission of money by the licensee is not required to be licensed under this article.

(2) The board may investigate any person believed to be engaging in the business of money transmission without a valid license required under this section.

12-52-105. Exemptions

Nothing in this article shall apply to: Departments or agencies of the United States of America, or to any state or municipal government, or to corporations organized under the general banking, savings and loan, or credit union laws of this state or of the United States, or to the receipt of money by an incorporated telegraph or cable company at any office or agency thereof for immediate transmission by telegraph or cable.

12-52-106. Application for license

(1) Application for a license shall be made in writing, under oath, to the banking board on such form as it may prescribe. The application shall:

(a) State the name of the applicant and the address of his principal office;

(b) Contain evidence that the applicant possesses qualifications and experience as required by the banking board pursuant to rule. If the applicant is a joint stock association, common law trust, unincorporated company or association, limited liability company, or corporation, the secretary or any assistant secretary thereof shall certify the name and address of each of the officers, directors, trustees, or other managing officials together with a designation of the office or offices held by each and evidence that each such individual possesses the qualifications and experience required by the banking board pursuant to rule and shall submit such certificate to the banking board with the application.

(c) State the date and place of incorporation;

(d) If the applicant has one or more branches, subsidiaries, affiliates, agents, or other locations at or through which the applicant proposes to engage in the business of issuing checks, drafts, money orders, or other instruments for the transmission or payment of money or credit, state the name and address of each such location;

(d.5) Contain a set of fingerprints for each of the owners, principal shareholders, principal members, directors, trustees, officers, or other managing officials. The commissioner shall forward the fingerprints to the Colorado bureau of investigation for the purpose of obtaining a fingerprint-based criminal history record check. Upon receipt of fingerprints and payment for the costs, the Colorado bureau of investigation shall conduct a state and national fingerprint-based criminal history record check utilizing records of the Colorado bureau of investigation and the federal bureau of investigation. The board shall be the authorized agency to receive information regarding the result of any national criminal history record check. Only the actual costs of such record check shall be borne by the applicant.

(e) Contain such other data, financial statements, and pertinent information as the banking board may require from time to time with respect to the applicant or its directors, trustees, officers, members, branches, subsidiaries, affiliates, or agents.

(2) Each application for a license shall be accompanied by financial statements of the applicant and a bond in the form and the amount specified in this article.

12-52-107. Bond - condition - amount - rules

(1) (a) Each approved applicant shall furnish a corporate surety bond in the principal sum of one million dollars, except as otherwise provided in this subsection (1), by a bonding company or insurance company authorized to do business in this state, in which the applicant is named as obligor, to be approved by the banking board, which shall run to the state of Colorado for the use and benefit of the state and of any creditor of the licensee for any liability incurred on any exchange issued by the licensee. The bond shall be conditioned that the obligor will faithfully conform to and abide by the provisions of this article and will honestly and faithfully apply all funds received for the performance of all obligations and undertakings for exchange issued and sold under this article and will pay to the state and to any person all money that becomes due and owing to the state or to such person under the provisions of this article because of any exchange sold or issued by such licensee. The bond shall remain in force and effect until the surety is released from liability by the banking board or until the bond is cancelled by the surety, which cancellation may be had only upon ninety days' written notice to the banking board. Such cancellation shall not affect any liability incurred or accrued prior to the termination of the ninety-day period. If the banking board finds, at any time, any bond to be exhausted, a replacement bond in an equal amount shall be filed by the licensee within thirty days after written demand therefor.

(b) The banking board shall by rule establish financial standards by which to evaluate the financial condition or solvency of licensees and for the bond amount set under paragraph (a) of this subsection (1) to be decreased to not less than two hundred fifty thousand dollars, following application by the licensee and an opportunity for hearing before the banking board, in such amounts as necessary up to the amount provided in paragraph (a) of this subsection (1) to protect purchasers of exchange.

(c) The banking board shall by rule establish financial standards by which to evaluate the financial condition or solvency of licensees and for the bond amount to be increased above the amount provided in paragraph (a) of this subsection (1) if the banking board determines, following notice to the licensee and an opportunity for hearing before the banking board, that the customers of such licensees are at undue risks, but in no case shall the total bond required of a licensee be greater than two million dollars. In promulgating such rules, the banking board shall utilize and adopt generally accepted accounting principles for the evaluation and determination of the financial condition of licensees.

(2) (a) In lieu of the surety bond required by subsection (1) of this section, the licensee may deposit with the board securities with a par value equal to the amount of the surety bond.

(b) Securities under this subsection (2) must be rated in one of the three highest grades as defined by a nationally recognized organization that rates securities and must consist of:

(I) General obligations of, or securities fully guaranteed by, the United States of America or any agency or instrumentality of or corporation wholly owned by the United States of America directly or indirectly; or

(II) Direct general obligations of the state of Colorado, or of any county, town, city, village, school district, or other political subdivision or municipal corporation of the state of Colorado.

(c) The board shall hold the securities to secure the same obligations as would any surety bond required by this article. The licensee may exchange the securities so deposited from time to time for other securities that qualify under this subsection (2) upon written notification to, and written approval by, the commissioner. All of the securities are subject to sale and transfer, and the board may dispose of the proceeds only on the order of a court of competent jurisdiction. The licensee is entitled to receive the interest or dividends on the securities unless prohibited by a court of competent jurisdiction. The board may provide for custody of the securities by any qualified trust company or bank located in the state of Colorado. The depositing licensee shall pay the compensation of any person acting as custodian under this section.

(3) In addition to the bond required under subsection (1) of this section, the commissioner, pursuant to rules promulgated by the banking board, may require a licensee to possess investments having an aggregate market value at least equal to the amount of outstanding payment instruments issued or sold by the licensee. For the purposes of this subsection (3), permissible investments shall be:

(a) Cash;

(b) Certificates of deposit or other debt obligations of a financial institution, either domestic or foreign;

(c) Bills of exchange or time drafts drawn on and accepted by federally insured financial depository institutions;

(d) Any investment bearing a rating of one of the three highest grades as defined by a nationally recognized organization that rates such securities;

(e) Investment securities that are obligations of the United States, its agencies or instrumentalities, or obligations that are guaranteed fully as to principal and interest of the United States, or any obligations of any state, municipality, or any political subdivision thereof;

(f) Shares in a money market mutual fund, interest-bearing bills or notes or bonds, debentures, or stock traded on any national securities exchange or on a national over-the-counter market;

(g) Such other investments as may be approved by the banking board.

(4) It is the intent of the general assembly that in applying the provisions of this section the purpose of the required bond and permissible investments is to protect the Colorado purchasers of exchange, and the amount of the bond and investments that are required of any licensee should not be more than is necessary to afford such protection given the financial condition of the licensee as determined under generally accepted accounting principles.

(5) Permissible investments, even if commingled with other assets of the licensee, shall be deemed by operation of law to be held in trust for the benefit of the purchasers and holders of the licensee's outstanding payment instruments in the event of the bankruptcy of the licensee.

12-52-108. Issuance of license

(1) Upon the filing of an application, the commissioner shall investigate the applicant. The applicant shall pay for the cost of the investigation. If the board finds that the applicant is of good moral character and financially responsible and can comply with this article, the board shall approve the application and notify the applicant in writing that its approval expires six months after the approval date. Once the approved applicant has notified the board that he or she is prepared to commence operations in Colorado, posted the required bond, and paid the license fee, the board shall issue to the applicant a license to engage in the business of money transmission subject to this article.

(2) No license shall be issued to an applicant, if a natural person, unless he is over twenty-one years of age; or if a partnership or syndicate, unless each of the partners is over twenty-one years of age; or if a joint stock association, common law trust, unincorporated company or association, or corporation, unless each of the officers, directors, trustees, or other managing officials is over twenty-one years of age.

(3) If the board denies an application, the board shall, within thirty days thereafter, prepare and file in its office a written order of denial, which must contain the board's findings and reasons supporting the denial and, within ten days after filing the order, the board shall notify the applicant and send him or her a copy of the order. The applicant may request a hearing by the board by submitting a written request to the board within sixty days after receiving notice as specified in section 24-4-104 (9), C.R.S., and if so requested the board shall hold a hearing as specified in section 24-4-105, C.R.S.

(4) A license shall not be issued to an applicant if an owner, principal shareholder, principal member, director, trustee, officer, or other managing official:

(a) Submitted a license application under this article that was false or misleading as a result of an untrue statement of a material fact or an omission to state a material fact unless the applicant did not know, and in the exercise of reasonable care should not have known, of the untruth or omission;

(b) Willfully violated or willfully failed to comply with this article or a rule promulgated or order issued under this article;

(c) Within the past ten years, entered a plea of guilty or nolo contendere to, or was convicted of, a felony or misdemeanor involving a breach of fiduciary duty or fraud; or

(d) Is subject to a temporary or permanent injunction for violating a state or federal law regulating the financial services industry, including, but not limited to, federal provisions regarding money laundering, record-keeping, and registration.

12-52-109. Issuance of license - renewal - fee

(1) Before any license is issued, and annually thereafter on or before January 1 of each succeeding year, the applicant or licensee shall pay to the banking board a license fee in an amount set by the banking board pursuant to section 11-102-104 (11), C.R.S. For each license originally issued between July 1 and December 31 of any year, the applicant shall pay one-half the annual fee required in this section. Each license shall expire on January 1 unless the annual fee for the year has been paid prior to such date.

(2) Beginning July 1, 1977, before any license may be renewed, the licensee shall be required to provide the same amount of bond coverage or securities for deposit as an initial applicant under section 12-52-107.

12-52-110. Examination - fee - financial statements and reports to commissioner - change in control

(1) (a) The commissioner may examine the books and records of a licensee using risk-based criteria and considering other available regulatory mechanisms as directed by the banking board; shall make and file in the office of the commissioner a correct report in detail disclosing the results of such examination; and shall mail a copy of such report to the licensee examined. If the licensee's records are located outside this state, the licensee shall, at the option of such licensee, either make them available to the commissioner at a convenient location within this state or pay the reasonable and necessary expenses for the commissioner or the commissioner's representative to examine them at the place where they are maintained. The commissioner may designate representatives, including comparable officials of the state in which the records are located, to inspect them on behalf of the commissioner. For such examination, the commissioner shall charge a fee in an

amount set by the banking board pursuant to section 11-102-104 (11), C.R.S. If any licensee refuses to permit the commissioner to make an examination, such licensee shall be subject to such penalty as the commissioner may assess, not in excess of one hundred dollars for each day any such refusal shall continue.

(b) In lieu of any examination required by this section to be made by the commissioner, the commissioner may accept the audit of an independent certified public accountant or an independent registered accountant, but the cost of such audit shall be borne by the licensee.

(2) (a) Every licensee shall file an annual financial statement with the commissioner, audited by an independent certified public accountant or an independent registered accountant, within one hundred fifty days following the close of the licensee's fiscal year. Such financial statements shall include a balance sheet, a profit and loss statement, and a statement of retained earnings of the licensee and the licensee's agents and subagents resulting from selling or issuing exchange under this article. The financial statements shall be accompanied by copies of the engagement and management letters issued by the independent auditor.

(b) Every licensee shall file with the commissioner:

(I) Not less than three reports during each calendar year according to the form prescribed by the commissioner. Each report must exhibit in detail, as may be required by the commissioner, the resources and liabilities of the licensee at the close of business on the day specified by the commissioner in writing.

(II) A written notification within fifteen days after the occurrence of any of the following:

(A) A change in the licensee's managing official;

(B) The filing of a petition by or against the licensee under the United States bankruptcy code, 11 U.S.C. secs. 101 to 110, as amended, for bankruptcy or reorganization;

(C) The filing of a petition by or against the licensee for receivership or the commencement of any other judicial or administrative proceeding for its dissolution or reorganization;

(D) The commencement of a proceeding to revoke or suspend its license in a state or country in which the licensee engages in business or is licensed; or

(E) A felony conviction of the licensee or of a managing official, principal member, principal shareholder, or agent of the licensee.

(c) If any licensee fails to submit any statement or report to the commissioner as required by this subsection (2), such licensee shall pay to the commissioner a penalty of two hundred fifty dollars for each additional day of delinquency as set by the banking board pursuant to section 11-102-104 (11), C.R.S.; except that, if in the opinion of the banking board the delay is excusable for good cause shown, no penalty shall be paid.

12-52-110.3. Change in control - rule

(1) (a) Except as specified in paragraph (b) or (c) of this subsection (1), when a licensee proposes a change of control, the licensee shall:

(I) Give the commissioner written notice of the proposed change of control within fifteen days after learning of the proposed change of control;

(II) Request approval of the change of control; and

(III) Submit a nonrefundable fee in an amount established under section 11-102-104 (11), C.R.S., with the notice.

(b) The board, by rule or order, may exempt a person from any of the requirements of subparagraph (II) or (III) of paragraph (a) of this subsection (1) if the board finds that it is in the public interest to do so.

(c) This subsection (1) does not apply to a public offering of securities.

(2) After review of a request for approval under subsection (1) of this section, the board may require the licensee to provide additional information concerning the persons proposed to control the licensee. The additional information must be limited to the same types required of the licensee or persons in control of the licensee as part of its original license or renewal application.

(3) The board shall approve a request for change of control under subsection (1) of this section if, after investigation, the board determines that the person or group of persons requesting approval has the competence, experience, character, and general fitness to operate the licensee or person in control of the licensee in a lawful and proper manner and that the public interest will not be jeopardized by the change of control.

(4) When an application for a change of control under this section is complete, the board shall give written notice to the licensee of the date on which the board determined the request to be complete and the date on which the board will hold a hearing on the application.

(5) Before filing a request for approval to acquire control of a licensee or of a person in control of a licensee, a person may file a written request for a determination from the board as to whether the person would be considered a person in control of a licensee upon consummation of a proposed transaction. If the board determines that the person would not be a person in control of a licensee, the board shall provide to the person written notification to that effect and the proposed person and transaction are not subject to the requirements of subsections (1) to (3) of this section.

12-52-110.5. Compliance with federal law

Each licensee shall comply with state and federal money laundering laws, including, but not limited to, the federal "Bank Secrecy Act", 12 U.S.C. sec. 1951 et seq.

12-52-111. Multiple locations

(1) Each licensee may conduct business at locations within this state the licensee may desire and through agents and subagents the licensee may from time to time appoint. Each licensee shall notify the board by certified mail of any increase in the number of locations at which it conducts its business and shall provide proof that the licensee has increased the required bond or securities accordingly. The notification and proof are due on the date on which the licensee's next report required under section 12-52-110 (2) (b) is due.

(2) Each licensee may, without violating section 5-2-212, C.R.S., notwithstanding whether or not a facility or mode only accepts credit cards, conduct business through physical and electronic facilities, including by telephone and internet, and may charge a different price for the provision of services based upon the type of facility or mode of services used in such transaction so long as the price for such service within a single such facility or mode is not greater for a credit card than for other forms of payment.

12-52-112. Revocation or surrender of license

- (1) The banking board may, upon ten days' notice served personally upon the licensee stating the contemplated action and the grounds therefor, hold a hearing at which the licensee shall have a reasonable opportunity to be heard, for the purpose of determining whether a license should be revoked.
- (2) After such hearing the banking board may revoke any license issued under this article if it finds that:
- (a) The licensee has failed to maintain the required bond; or
 - (b) The licensee has failed to comply with any order, decision, or finding of the banking board or the commissioner made pursuant to this article; or
 - (c) The licensee has violated any provision of this article; or
 - (d) Facts exist which would have warranted the banking board's refusal to issue the original license; or
 - (e) The licensee is engaged in a business a substantial portion of which involves the processing, manufacture, or purchase and sale of commodities or articles of tangible personal property and such licensee has failed to maintain constantly a separate bank deposit account or accounts for the exclusive payment of exchange issued by such licensee; or
 - (f) The licensee has sold or issued exchange without receiving payment for the face value of the exchange prior to the time of such sale or issuance.
- (3) A licensee may surrender any license by delivering to the banking board written notice that he surrenders such license, but such surrender shall not affect the licensee's civil or criminal liability for acts committed prior to the surrender, or affect the liability on any bond, or entitle the licensee to a return of any part of any license fee.

12-52-113. Rules and regulations

The banking board may make, promulgate, alter, amend, or revise reasonable rules and regulations as may be necessary for the enforcement and execution of this article.

12-52-114. Review

Any person aggrieved and directly affected by an order of the banking board issued under this article may seek a review in the district court of Colorado in and for the county in which the principal place of business of the licensee or applicant is located. The filing of such a petition for review shall not, of itself, stay enforcement of an order, but the court may order a stay upon such terms as it deems proper.

12-52-115. Penalty for violations

Any person who violates any provision of this article is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than ten thousand dollars. Each such violation shall constitute a separate offense.

12-52-115.5. Civil remedies - restraining orders - injunctions

(1) (a) If the board has cause to believe that a person has sold or issued exchange or transmitted money without a license issued under this article 52, the board may obtain from the district court of the city and county of Denver a temporary restraining order or a preliminary or permanent injunction prohibiting the person from violating this article. In such action, the board shall not be required to plead or prove irreparable injury or the inadequacy of the remedy at law.

(b) The court shall not require the board to post a bond.

(c) The district court may issue any orders or judgments necessary to prevent a violation of this article. The district court may award to the board the costs and attorney fees incurred in enforcing this article.

(2) A person who violates a district court order or injunction entered pursuant to this section shall be subject to the contempt powers of the district court and shall pay a civil penalty of not more than ten thousand dollars for each such violation. Each day a person continues to violate the district court order shall be a separate violation; except that the aggregate total of civil penalties shall not exceed one hundred thousand dollars for a related series of violations.

(3) The civil remedies imposed by this section shall be in addition to any other penalty or remedy for a violation of this article.

12-52-116. Notice - banking board - consumers

(1) The licensee or such licensee's agents or subagents shall give notice to the banking board, by certified mail, of any legal action which shall be brought against the licensee and of any judgment which shall be entered against such licensee, by any creditor or claimant, relating to selling or issuing exchange or transmitting money under this article, together with details sufficient to identify the action or judgment, within ten days after the commencement of any such action or notice to the licensee of entry of any such judgment. Within ten days after it pays any claim of judgment to any such creditor or such claimant, the corporate surety shall give notice to the banking board, by certified mail, of such payment, together with details sufficient to identify the claimant or creditor and the claim or judgment so paid.

(2) The licensee or such licensee's affiliates, agents, or subagents shall immediately give notice to the banking board, by certified mail, of any information in their possession with regard to money orders issued by them that have been returned to purchasers unpaid.

(3) (a) Except for a money exchange or transmission conducted at a branch of a federally insured depository institution, a licensee shall post and maintain at its establishment a notice advising the customer that the selling or issuing of exchange is regulated by the division of banking and that the customer may report alleged violations of the law to the division of banking. Such notice shall be created and furnished to the licensee by the commissioner.

(b) Such notice shall be posted conspicuously in a well-lighted place visible to customers.

12-52-117. Repeal of article - review of functions

(1) This article is repealed, effective September 1, 2024.

(2) Prior to such repeal, the licensing functions of the commissioner and the banking board shall be reviewed as provided for in section 24-34-104, C.R.S.

PART 2. MONEY TRANSMITTER AGENTS

12-52-201. Agent information - rules

(1) A money transmitter licensed pursuant to part 1 of this article shall annually send the following information to the banking board on such form as it may prescribe:

(a) The name of each agent and the address and telephone number of each of the agent's offices that engage in the business of money transmission;

(b) The name, address, and telephone number of each of the owners of the agent holding more than a ten percent interest in the business if the agent is a partnership or an entity created pursuant to title 7, C.R.S.;

(c) The services concerning money transmission that are offered by the agent and the locations where such services are offered;

(d) Such other pertinent information that the banking board may require concerning the agent or its directors, trustees, officers, members, branches, subsidiaries, affiliates, or agents as promulgated by rule.

(2) The banking board may promulgate rules necessary to implement this section.

12-52-202. Applicability

(1) This part 2 does not apply to an agent of a business licensed pursuant to part 1 of this article to the extent that the agent is selling or adding additional money to stored value issued by the business.

(2) For purposes of this section, "stored value" means a card, code, or other device that is issued to a consumer in a specified dollar amount, which may or may not be increased in value, and is redeemable at a single merchant, an affiliated group of merchants, or multiple unaffiliated groups of merchants or usable at automated teller machines.

12-52-203. Notice of laws

(1) The banking board shall promulgate rules to create a form containing a notice of the contents of section 18-5-309, C.R.S., and other state and federal laws concerning money laundering.

(2) (a) An agent of a business licensed pursuant to part 1 of this article shall require each employee who performs money transmission services to either:

(I) Understand and sign the form, created under subsection (1) of this section, affirming knowledge of the money laundering laws prior to the employee performing such services; or

(II) Receive training that covers the money laundering laws within thirty days before the employee performs such services.

(b) The agent shall maintain a record of each employee along with the signed notice or evidence of training in compliance with paragraph (a) of this subsection (2) so long as the employee provides such services. The records may be maintained in an electronic or digital format that reproduces the signature on the documents by the agent.

12-52-204. Records

The information sent to the banking board under section 12-52-201 and the records required by section 12-52-203 shall be open to any law enforcement officer acting within the scope and course of the officer's official duties.

12-52-205. Agent requirements

(1) No money transmitter licensed pursuant to part 1 of this article shall knowingly contract with an agent or owner of an agent holding more than a ten percent interest in the business who has been convicted of or pleaded guilty or nolo contendere to the offenses in article 5 of title 18, C.R.S.; a felony in the selling or issuing of exchange or in money transmission; a felony involving a financial institution; or an equivalent crime outside Colorado.

(2) No agent of a money transmitter licensed pursuant to this article shall knowingly employ a person to perform money transmission services who has been convicted of or pleaded guilty or nolo contendere to the offenses in article 5 of title 18, C.R.S.; a felony in the selling or issuing of exchange or in money transmission; a felony involving a financial institution; or an equivalent crime outside Colorado.

12-52-206. Violations

(1) A person who violates this part 2 commits a class 2 misdemeanor and, for the second or any subsequent offense, the person commits a class 1 misdemeanor and shall be punished as provided in section 18-1.3-501, C.R.S.

(2) A person who acts as an agent of an unlicensed person required to be licensed by part 1 of this article knowing the unlicensed person does not hold such license commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501, C.R.S.